

SENATE, No. 2863

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED AUGUST 27, 2018

Sponsored by:

Senator PAUL A. SARLO

District 36 (Bergen and Passaic)

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

Co-Sponsored by:

Senator Oroho

SYNOPSIS

Revises requirements for grant recipients of Transportation Trust Fund Authority local aid program.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 9/25/2018)

1 AN ACT concerning transportation projects funded through the local
2 aid program, amending P.L.1995, c.108, and supplementing Title
3 27 of the Revised Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. Section 9 of P.L.1995, c.108 (C.27:1B-25.1) is amended to
9 read as follows:

10 9. Aid to counties and municipalities administered by the
11 department may, at the discretion of the commissioner, be disbursed
12 to any individual county or municipality on a grant basis or on a
13 cost reimbursement basis. Distribution of the portion of the grant
14 provided initially to a county or municipality may be contingent on
15 its performance in spending prior grants. Failure to award
16 construction or other approved contracts for 100 percent of a
17 county's allotment within three years of notification by the
18 department of that year's allotment, or failure to award construction
19 or other approved contracts for any percentage of a county's
20 allotment within one year of notification by the department of that
21 year's allotment, shall result in the allotment being immediately
22 rescinded or the funds returned to the department, as applicable, or
23 in the event such funds are not immediately returned, deducted by
24 the department from future allocations of aid to such county. Any
25 such funds may be reallocated by the commissioner on a grant basis
26 or a cost reimbursement basis to such other counties or
27 municipalities as the commissioner shall so determine. Failure to
28 award construction or other approved contracts for 100 percent of a
29 municipality's allotment within two years of notification by the
30 department of that year's allotment, or failure to award construction
31 or other approved contracts for any percentage of a municipality's
32 allotment within one year of notification by the department of that
33 year's allotment, shall result in that year's allocation being
34 immediately rescinded. Any such funds may be reallocated by the
35 commissioner on a grant basis or a cost reimbursement basis to such
36 other counties or municipalities as the commissioner shall
37 determine.

38 (cf: P.L.2012, c.13, s.10)

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40 2. (New section) a. All appropriations or authorizations made
41 by the Legislature and allocated by the commissioner, under the
42 local aid program, pursuant to section 25 of P.L.1984, c.73
43 (C.27:1B-25), shall include the following limitations on grant
44 recipients:

45 (1) local government entity grant recipients shall be prohibited
46 from using local aid program funds to support the work of any local
47 government entity's employees on any projects funded, in whole or
48 in part, out of funds from the local aid program;

1 (2) the construction contracts for all projects funded, in whole or
2 in part, out of funds from the local aid program shall be made and
3 awarded in accordance with the "Local Public Contracts Law,"
4 P.L.1971, c.198 (C.40A:11-1 et seq.);

5 (3) for all projects funded, in whole or in part, out of funds from
6 the local aid program, each bidder on a construction contract shall
7 be prequalified by the New Jersey Department of Transportation;
8 and,

9 (4) a grant recipient under the local aid program shall be
10 permitted to expend up to 10 percent of its aid allotment in the
11 fiscal year beginning July 1, 2018 for design purposes, and up to
12 five percent of its aid allotment in the fiscal year beginning July 1,
13 2019 and every fiscal year thereafter for such purposes.

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15 3. This act shall take effect immediately
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18 STATEMENT
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20 This bill revises requirements imposed upon the use of grant
21 funds received by counties and municipalities through the
22 transportation local aid program. These revisions include:

23 (1) requiring counties and municipalities to begin expending aid
24 allotments within one year from the time they are provided notice of
25 their award amount;

26 (2) prohibiting a local government entity from using local aid
27 program funds to support the work of a local government entity's
28 employees from being on local aid projects funded from local aid
29 funds;

30 (3) requiring local aid projects to be bid in accordance with
31 local public contracts law;

32 (4) requiring all bidders on local aid program funded contracts
33 to be prequalified by the New Jersey Department of Transportation;
34 and,

35 (5) permitting local aid program grant recipients to use 10
36 percent of their awards on design costs in fiscal year 2019, and five
37 percent of their awards on design costs in fiscal years 2020 and
38 beyond.